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# World Production and Trade

United States  
Department of  
Agriculture

Foreign  
Agricultural  
Service

Washington, D.C. 20250

Weekly  
Roundup

WR 44-86

November 5, 1986

The Foreign Agricultural Service of the U.S. Department of Agriculture today reported the following developments in world agriculture and trade.

## GRAIN AND FEED

**CHINA Buys U.S. Corn for the First Time in Three Years.** In an apparent response to the continued efforts of the U.S. Feed Grains Council, China has purchased 30,000 tons of industrial-use corn which may signal improving prospects for U.S. corn sales to China. In recent years, China has imported only small amounts of corn from Thailand and South Africa while exporting 5 to 6 million tons to several important U.S. markets in Asia. The Council has been working to expand China's corn use for industrial and feed purposes which will likely increase the demand for imported corn and divert Chinese corn from the export market. Sharply lower U.S. corn prices should further improve U.S. market opportunities in China.

## DAIRY, LIVESTOCK AND POULTRY

**POLAND'S Milk Production Falls.** Poland's 1986 milk output is expected to be 15.7 million tons, 5 percent below 1985 and 6 percent below the 1984 record. Milk cows are down 6 percent. Feed supplies for the year have been good and supplies for the coming winter are described as more than adequate; however, low profitability during the past two years caused many farmers to lose interest in dairying. To stop the decline in milk production, the Polish government announced a 17-percent price increase effective July 1986; the impact of the increase, however, will not be noticeable for at least a year.

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## COTTON AND FIBERS

U.S. Cotton Exports Up Sharply. U.S. cotton exports increased sharply during September, reaching 374,000 bales, the largest September figure since 1980. Exports during September 1985 were 200,000 bales. Exports during the first two months of the 1986/87 crop year totaled 660,000 bales. Japan, South Korea, the EC, Taiwan and Indonesia are the leading destinations for U.S. cotton this season.

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TAIWAN Imports Record Amounts of Cotton. Taiwan reports record cotton imports of 1.5 million bales during 1985/86, mainly due to lower cotton prices and good demand for its textile exports. U.S. cotton exports to Taiwan dropped in 1985/86 but are expected to rebound sharply during 1986/87. U.S. export commitments to Taiwan totaled 826,000 bales as of mid-October. U.S. exports to Taiwan totaled only 46,000 bales last season. Principal suppliers in 1985/86 were Pakistan with 568,000 bales, Australia 142,000 bales, Brazil 137,000 bales, Cote d'Ivoire 110,000 bales, and Burkina Faso 95,000 bales.

## TOBACCO

TURKEY Announces Tobacco Export Prices. In Turkey, the government has announced the minimum export prices for unmanufactured Oriental tobacco during the 1986/87 marketing season. Export prices for the 1984 and 1985 crops will remain at last year's levels while prices for the lower quality grades of the 1983 crop were reduced 10-20 cents per kilogram. Prices in U.S. dollars per kilogram for American-grade qualities for the three crop years will be: Aegean, \$4.40; Marmara, \$4.50; Black Sea (Bafra), \$4.60; and Black Sea (Samsun), \$4.70. The retention of export prices at last year's levels is apparently an attempt to keep Turkish prices competitive with other Oriental tobacco exporters. During 1985, U.S. imports from Turkey totaled 51,931 tons, or approximately 50 percent of Turkey's annual export volume.

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ZIMBABWE Market Bottoms Out at Closing. After 25 weeks of selling, the Zimbabwe flue-cured auction sales were completed, having marketed 114,304 tons of tobacco at an average price of Z\$3.13 per kilogram (US\$1.85). This compares with 105,556 metric tons sold last season, at an average price of Z\$2.68 per kilogram (US\$1.56). A record average price of US\$2.17 per kilogram was registered in the 21st week (early September). However, this trend was short lived; prices started plummeting in mid-September and ended with an average price of US\$1.14 per kilogram (25th week).

Part of the price drop is attributed to lower quality and badly handled tobacco on offer and, in part, to declining grade prices. The U.S. flue-cured markets are experiencing similar price drops, with an increasing amount of sales going to stabilization. The decline in grade prices is due to lack of demand, and may be an indication that world supply is running ahead of demand.

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# FRUITS

COLOMBIA Ends Ban on Wine Imports. Colombia has rescinded its import prohibition against U.S. wines. Low-alcohol wines (less than 10 percent alcohol) such as wine coolers, remain prohibited.

## CREDIT NOTES

GSM-102 Actions Announced for YUGOSLAVIA and YEMEN. USDA authorized an additional \$73.5 million in credit guarantees for Yugoslavia and \$28 million in guarantees for Yemen.

## EXPORT ENHANCEMENT INITIATIVES

The status of USDA's Export Enhancement Program as of Nov. 3, 1986, was as follows in metric tons:

ANNOUNCED INITIATIVES	DATE ANNOUNCED	QUANTITY/RESULTS
51. Gulf countries (Bahrain, Kuwait, Oman, Qatar, United Arab Emirates) dairy cattle	Oct. 30, '86	1,500 head
50. West Africa (Cameroon, Cote d'Ivoire, Ghana, Togo) wheat	Oct. 30, '86	345,000
49. Dominican Republic poultry	Oct. 29, '86	1,500
48. Philippines barley malt	Oct. 20, '86	60,000 Sold 25,000
47. Cameroon wheat flour	Oct. 14, '86	20,000
46. Romania barley	Sept. 24, '86	200,000
45. Venezuela barley malt	Sept. 4, '86	100,000
44. Cyprus barley	Aug. 26, '86	150,000 Sold 50,000
43. Canary Islands wheat	Aug. 8, '86	100,000
42. Egypt semolina	Aug. 6, '86	30,000
41. Soviet Union wheat	Aug. 1, '86	4,000,000 EXPIRED
40. Canary Is. dairy cattle	July 28, '86	3,000 head
39. Hong Kong table eggs	July 28, '86	44 million
38. Senegal wheat	July 17, '86	100,000 COMPLETE
37. India vegetable oil	July 8, '86	25,000
36. Jordan barley	June 17, '86	60,000
35. Israel barley	June 17, '86	200,000 Sold 36,200
34. Tunisia dairy cattle	May 29, '86	4,000 head
33. Algeria dairy cattle	May 29, '86	5,000 head
32. Sri Lanka wheat	May 16, '86	125,000 Sold 75,000

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EXPORT ENHANCEMENT INITIATIVES, CONT.

31. Saudi Arabia barley	May 7, '86	500,000	COMPLETE
	Aug. 6, '86	250,000	COMPLETE
	Sept. 16, '86	300,000	COMPLETE
	Oct. 8, '86	200,000	COMPLETE
			(201,000)
30. Algeria barley	Apr. 17, '86	500,000	
29. Morocco dairy cattle	Apr. 16, '86	4,000 head	Sold 150
28. Turkey dairy cattle	Apr. 16, '86	5,000 head	
27. Egypt dairy cattle	Apr. 16, '86	6,000 head	COMPLETE
	Sept. 12, '86	10,000 head	
26. Yemen poultry feed	Apr. 14, '86	150,000	
25. Yugoslavia wheat	Apr. 10, '86	200,000	COMPLETE
	June 24, '86	200,000	Sold 190,950
	Oct. 7, '86	500,000	
24. Indonesia dairy cattle	Apr. 9, '86	7,500 head	
23. Syria wheat	Apr. 8, '86	700,000	
22. Benin wheat	Apr. 7, '86	45,000	Sold 30,000
21. Algeria table eggs	Apr. 4, '86	500 million	
20. Iraq dairy cattle	Apr. 4, '86	6,500 head	Sold 200
19. Jordan wheat	Mar. 19, '86	75,000	COMPLETE
	June 20, '86	75,000	COMPLETE
18. Tunisia wheat	Mar. 18, '86	300,000	COMPLETE
	Aug. 22, '86	800,000	Sold 250,000
17. Algeria wheat flour	Feb. 25, '86	100,000	
16. Algeria semolina	Feb. 11, '86	250,000	
15. Philippines wheat	Jan. 7, '86	150,000	COMPLETE
			(152,400)
14. Zaire wheat	Dec. 27, '85	40,000	COMPLETE
	May 15, '86	40,000	COMPLETE
	Oct. 17, '86	40,000	
13. Nigeria barley malt	Dec. 10, '85	100,000	Sold 4,400
12. Iraq wheat flour	Dec. 9, '85	150,000	Sold 100,000
11. Egypt poultry	Nov. 26, '85	8,000	COMPLETE
	Mar. 21, '86	15,000	COMPLETE
	June 18, '86	5,000	COMPLETE
	July 8, '86	15,000	COMPLETE
10. Zaire wheat flour	Nov. 18, '85	64,000	COMPLETE
	May 15, '86	30,000	Sold 15,000
9. Philippines wheat flour	Nov. 15, '85	100,000	Sold 50,000
8. Jordan rice	Nov. 8, '85	40,000	Sold 38,700
7. Turkey wheat	Oct. 16, '85	500,000	COMPLETE
			(506,600)
	May 8, '86	500,000	
6. Morocco wheat	Sept. 30, '85	1,500,000	Sold 890,000

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EXPORT ENHANCEMENT INITIATIVES, CONT

5. Yemen wheat	Sept. 6, '85	100,000	COMPLETE
4. Yemen wheat flour	Aug. 20, '85	50,000	COMPLETE
	Apr. 14, '86	100,000	Sold 63,000 LT
3. Egypt wheat	July 26, '85	500,000	COMPLETE
	Oct. 30, '85	500,000	COMPLETE
			(512,500)
	June 24, '86	500,000	COMPLETE
	July 29, '86	52,000	Sold 29,000
	Oct. 8, '86	1,000,000	
2. Egypt wheat flour	July 2, '85	600,000	COMPLETE
	Aug. 6, '86	600,000	
1. Algeria wheat	June 4, '85	1,000,000	COMPLETE
	Apr. 10, '86	1,000,000	

EXPORT ENHANCEMENT PROGRAM SUMMARY

Status as of Nov. 3, 1986

Announced to Date	16,752,438 (grain equivalent)
	544 million table eggs
	44,500 tons frozen poultry
	52,500 head dairy cattle
	25,000 tons vegetable oil
Sold to Date	5,566,459 wheat
	1,292,622 flour (grain equivalent)
	1,337,200 barley
	43,000 frozen poultry
	38,700 rice
	39,199 barley malt (grain equivalent)
	6,350 head dairy cattle
Total Sales Value:	\$864.1 million
Estimated Bonus Book Value:	\$467.9 million.

TARGETED EXPORT PROMOTION PROGRAM

The status of USDA's Targeted Export Promotion Program as of Nov. 5, 1986, was as follows:

DATE ANNOUNCED	COMMODITY	VALUE	COUNTRY
Oct. 30, 1986	Sunflowerseed and products	\$3.0 million	Japan, Mexico, Venezuela, Portugal
Oct. 29, 1986	Chocolate	\$2.5 million	Japan, Korea, Taiwan, European Community
Oct. 9, 1986	Red meat	\$7.0 million	Japan, Hong Kong
Oct. 8, 1986	High-value and processed foods	\$3.2 million	All countries
Oct. 3, 1986	Pasta products	\$2.1 million	Caribbean, Pacific Rim, Middle East
Oct. 2, 1986	Cotton	\$7.0 million	Western Europe, Asia
Oct. 1, 1986	Pistachios	\$0.2 million	Pacific Rim
Sept. 30, 1986	Soybeans	\$8.5 million	European Community
Sept. 29, 1986	Peanuts	\$4.5 million	Western Europe
Sept. 19, 1986	Processed foods	\$0.3 million	West Germany
Sept. 17, 1986	Processed foods	\$1.4 million	Pacific Rim
Sept. 16, 1986	Processed foods	\$0.5 million	Pacific Rim, Western Europe, Middle East, Caribbean
Sept. 16, 1986	Wine	\$2.5 million	Pacific Rim, Western Europe
Sept. 12, 1986	Rice	\$3.5 million	European Community, Middle East, Africa, Southeast Asia, Caribbean
Sept. 8, 1986	Fresh pears	\$0.3	Scandinavia, Arabian Gulf, Pacific Rim
Sept. 2, 1986	Wheat	\$2 million over 3 years	Egypt, Algeria
Aug. 12, 1986	Canned Peaches, Fruit Cocktail	\$5.6 million <sup>1/</sup>	Pacific Rim & Middle East
Aug. 8, 1986	Feed Grains	\$2.1 million	To be announced
July 28, 1986	Dry Peas & Lentils	\$2.5 million	EC, Colombia, India
July 25, 1986	Table Grapes	\$0.35 million	Japan
July 18, 1986	Washington State Apples	\$1.4 million	United Kingdom, Taiwan, Malaysia, Hong Kong, Norway, Middle East
July 17, 1986	Wood Products	\$0.65 million <sup>2/</sup>	United Kingdom
July 16, 1986	Wheat	\$1.1 million	Developing countries
July 14, 1986	Poultry & Eggs	\$6 million	Pacific Rim, Middle East countries
June 24, 1986	Feed Grains, Soybean Meal & Dairy Cattle	\$9 million over 3 years	Algeria
June 23, 1986	Fresh & Processed Florida Citrus	\$4.6 million	Western Europe & Pacific Rim
May 20, 1986	Dried Prunes	\$4 million	Western Europe



TEA PROGRAM SUMMARY CONT.

April 30, 1986	Wood	\$1.95 million (over 3 years)	Japan
April 28, 1986	Wine	\$2.3 million	Japan, United Kingdom, Hong Kong, Singapore
April 25, 1986	Almonds	\$0.9 million	Western Europe, Japan, Korea
April 17, 1986	Canned Peaches, Fruit Cocktail	\$2.5 million	Japan, Taiwan
April 16, 1986	Walnuts	\$9 million <u>3/</u>	Western Europe, Japan, Australia
April 16, 1986	Raisins	\$6.3 million	Western Europe, Pacific Rim, Middle East
April 14, 1986	California & Arizona fresh & processed citrus	\$8.5 million	Western Europe, Pacific Rim
March 27, 1986	Frozen Potatoes	\$2 million	Japan, Hong Kong, Taiwan, Malaysia, Singapore

Total: \$119.07 million

- 1/ Includes \$0.5 million announced Nov. 4, 1986.
- 2/ Part of April 30, 1986, wood TEA amount. Not included in total.
- 3/ Includes additional \$2 million announced Aug. 1, 1986.

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Selected International Prices

Item	:	November 4, 1986	:	Change from	:	A year
	:		:	a week ago	:	ago
ROTTERDAM PRICES 1/	\$ per MT	\$ per bu.	\$ per MT	\$ per MT		
Wheat:						
Canadian No. 1 CWRS-13.5%.	N.Q.	--	--			190.00
U.S. No. 2 DNS/NS: 14%....	135.00	3.67	+1.00			176.00
U.S. No. 2 S.R.W. ....	142.50	3.88	+1.50			149.00
No. 3 H.A.D.....	145.00	3.95	+1.75			166.00
Canadian No. 1 A: Durum...	154.00	4.19	+2.00			N.Q.
Feed grains:						
U.S. No. 3 Yellow Corn....	84.00	2.13	-0-			116.50
Soybeans and meal:						
U.S. No. 2 Yellow.....	203.80	5.55	+1.40			213.30
Brazil 47/48% Soya Pellets	207.00	--	+2.00			195.00
U.S. 44% Soybean Meal.....	186.00	--	+1.00			178.00
U.S. FARM PRICES 3/						
Wheat.....	88.18	2.40	+1.10			113.89
Barley.....	64.76	1.41	-0-			64.76
Corn.....	58.66	1.49	-1.18			85.83
Sorghum.....	N.Q.	-- 2/	--			80.91
Broilers.....	1262.57	--	+29.54			1181.67
EC IMPORT LEVIES						
Wheat 5/.....	176.20	4.80	-1.00			105.90
Barley.....	176.45	3.84	-0.35			106.20
Corn.....	168.70	4.29	-6.60			86.95
Sorghum.....	170.90	4.34	-0.45			99.50
Broilers 4/ 6/ 8/.....	443.00	--	+34.00			192.00
EC INTERVENTION PRICES 7/ 9/						
Common wheat(feed quality)	183.40	4.99	-1.70			159.30
Bread wheat (min. quality)	192.55	5.24	-1.80			170.00
Maize.....	192.55	4.89	-1.80			159.30
Barley and all other feed grains, excluding maize.	183.40	--	-1.70			159.30
Broilers 4/ 6/.....	1,539.00	--	-9.00			1,230.00
EC EXPORT RESTITUTIONS (subsidies)						
Wheat .....	N.A.	--	--			65.55
Barley.....	N.A.	--	--			70.20
Broilers 4/ 6/ 8/.....	315.00	--	-3.00			153.00

1/ Asking prices in U.S. dollars for imported grain and soybeans, c.i.f., Rotterdam. 2/ Hundredweight (CWT). 3/ Five-day moving average. 4/ EC category--70 percent whole chicken. 5/ Reflects lower EC export subsidy--down to 20.00 ECU/100 bag effective 9/14/83 from 22.50 ECU/100 bag set in 2/83. 6/ F.o.b. price for R.T.C. broilers at West German border. 7/ Reference price. 8/ Reflects change in level set by EC. 9/ Changes may be due partly to exchange rate fluctuations and/or ECU payments. N.A.=None authorized. N.Q.=Not quoted. Note: Basis November delivery.